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Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: special economic assistance to individual countries or regions

Assistance for the reconstruction and development of Djibouti

Report of the Secretary-General**

Summary

The present report is submitted pursuant to General Assembly resolutions 48/198, 50/58 F, 51/30 E, 52/169 K, 53/1 J, 54/96 C and 56/108 on assistance for the reconstruction and development of Djibouti. It provides a general overview of the political and socio-economic situation in Djibouti covering the past four years to March 2003.

Noting the country's main development challenges, the present report emphasizes the close cooperation among United Nations agencies, especially their increasing focus on social development. The report also outlines progress made to date, for example, the United Nations-supported preparation of Djibouti's National Action Programme to the Third United Nations Conference on Least Developed Countries, which was also instrumental in the formulation of the country's 10-year National Development Plan.

The United Nations agencies, funds and programmes with a presence in Djibouti include the World Food Programme, the United Nations Population Fund, the United Nations Development Programme, the United Nations Children's Fund, the World Health Organization and the Office of the United Nations High Commissioner for Refugees, which provide assistance in areas such as national capacity-building in health, economic reform, education, housing, repatriation of refugees, humanitarian assistance and disaster prevention and preparedness.

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** The submission of the present report was delayed to allow sufficient time for the clearing departments to review and approve it.

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I. Introduction

1. The present report is submitted pursuant to General Assembly resolutions 48/198, 50/58 F, 51/30 E, 52/169 K, 53/1 J, 54/96 C and 56/108 on assistance for the reconstruction and development of Djibouti. It provides a brief description of the progress made in the implementation of the most recent resolution.

II. General situation

2. Djibouti covers an area of 23,000 square kilometres, characterized by an arid climate and extremely limited water and agricultural potential. However, the country is strategically situated in the Horn of Africa at the juncture of the Red Sea and the Indian Ocean. It has a coastline of 370 kilometres and common borders with Eritrea in the north, Ethiopia in the west and south, and Somalia in the south-east. Djibouti is the natural commercial door for Ethiopia.

3. The majority of Djiboutians are from the Afar and Somali Issa ethnic groups; the other groups are of Yemeni and Ethiopian origin. The country's population, estimated to be 680,000 in 1998, is mostly urban and concentrated in the capital, Djibouti City, where almost two thirds reside. The annual natural growth rate is estimated to be 3.1 per cent. In addition, there is a sizeable refugee population from neighbouring countries, which has strained the meagre resources available. According to the latest estimates there are 21,273 refugees of whom 20,139 are from north-western Somalia. While the total number of displaced persons (Djiboutians and non-Djiboutians) is not known, estimates range from 100,000 to 150,000 according to the National Office of Assistance to Refugees and Disasters.

4. According to the Human Development Report 2002, Djibouti's human development index is still a very low 0.445 and compared to the index in 1999 of 0.412, only a minute improvement is reflected. The overall social situation of the country is precarious owing to the limitations of the educational and training system, the inadequate health facilities, the limited natural resources and the very small private sector. The adult literacy rate is no more than 64.6 per cent, while life expectancy at birth is one of the lowest in the world: 49 years for men and 52 years for women. According to the EDAM-IS2[1] survey completed in 2002, the relative and extreme poverty incidence increased from 1996 to 2002, respectively, from 14 per cent to 45.1 per cent and from 9.6 per cent to 42.1 per cent.

5. Non-Djiboutians unsettled by the conflicts in the Horn of Africa (i.e., immigrants and refugees) consume a sizeable share of Djibouti's limited health services. With the health system completely free for all and with the increasing numbers of beneficiaries, the system can no longer provide adequate services to the entire population. In addition, the internal armed conflict has caused physical damage to the health infrastructure.

6. Primary education in Djibouti is currently provided by a network of 64 public and nine private schools. Student/teacher ratios in primary schools range from 34:1 to 43:1 in the rural areas and about 46:1 in the city. Some schools with large numbers of students are forced to practise double-shifting, a system which may have to be extended if the growing demand for more public education cannot be met by increased investment in more schools. In some areas, schools have been closed

because of the lack of adequate infrastructure and teachers. To improve this situation, the Government has developed a national strategy on education aiming to reach a schooling rate of 80 per cent by 2010. Other strategy objectives are to extend the access to primary school to all Djiboutians and to reduce discrepancies in attendance between boys and girls. In 2001, with the help of the French Cooperation Agency, a university nucleus called Pôle universitaire de Djibouti was inaugurated. This centre, under special agreement with French universities, trains students and confers various internationally recognized degree-level diplomas.

7. The employment situation is closely linked to the educational sector. Each year 4,000 young people arrive in the labour market without any qualifications. This number is expected to continue to grow over the next few years, particularly in Djibouti City, as internal migration from the rural areas to the capital increases owing to the shortage of pasture and fertile land.

8. Djibouti has a dual economy, characterized by an important informal sector that serves a population with weak purchasing power and by a modern economy based on a solid port and airport infrastructure, which serves a population with strong purchasing power that depends almost entirely on imports.

9. It is estimated that more than 80 per cent of the enterprises fall into the informal and semi-informal sector, including a large number of informal microenterprises. Women, who figure strongly in this sector, constitute 32.2 per cent of the labour force. In the formal urban sector women are employed mainly as clerical or administrative staff, while in rural areas they play an important role in raising livestock. Women could perhaps play a stronger economic role if they were to have increased access to microfinancing.

10. In the absence of significant natural resources, the economy of Djibouti is based on services, a sector which contributed about 80 per cent of the country's gross domestic product (GDP) in 2001. The agricultural and industrial sectors remain very small, respectively, 3 per cent and 20 per cent of GDP. At the regional level, Djibouti enjoys a relative comparative advantage owing to its efficient transport infrastructure (port, airport, railroad), banking establishments and telecommunications facilities. The country has one of the most liberal economic regimes in Africa. Its currency is freely convertible and there are no controls on capital movement.

11. Djibouti's economy registered a GDP growth rate of about 1 per cent in 2000.[2] This positive evolution was confirmed in 2001, with a growth of 1.9 per cent, and the prospective figure for 2002 has evolved in the same direction. The inflation rate decreased from 2.4 per cent in 2001 to 1.4 per cent in 2002, as recommended in the Structural Adjustment Programme initiated in 1998 in collaboration with the World Bank and the International Monetary Fund (IMF). The negative commercial balance from 1999 to 2001 was stable, with a deficit exceeding DF 30 billion. While the budget deficit was reduced from 1.8 per cent in 2000 to 1.4 per cent of GDP in 2001, it is still largely in excess of the Government's initial objective.

12. During the past four years, the Government's economic problems, specifically, liquidity problems, have reached a point where civil servants were not paid wages for seven to eight months. The accumulated months of unpaid salaries and the lack of means have demotivated governmental counterparts. In 2002 the situation evolved: following a strike undertaken in the month of November, all civil servants

received three months of salary. However, they were still owed three months of salary arrears.

III. Recent developments

13. Following the signature in December 1994 of a peace accord with a faction of the opposition, the Front pour la restauration de l'unité et de la démocratie (FRUD), steps were taken to initiate a multiparty system in the country. Until the end of 2002, no women had been elected as members of Parliament.

14. In February 2000, a memorandum of understanding was signed between the Government and the remaining factions of FRUD that had not signed the 1994 peace accord and had continued the armed conflict in the north. On 12 May 2001, an official signature ceremony, held in Djibouti, concluded the peace process between the Government and representatives of FRUD. In September 2002 the constitutional limit on political parties was removed.

15. Parliamentary elections were held on 10 January 2003, with eight parties, grouped under two coalitions, contending for 65 seats in Parliament. Reports indicate that the coalition, Union pour la majorité présidentielle (UMP), led by the ruling Rassemblement populaire pour le progrès (RPP), won 62.73 per cent of the vote and all 65 seats in Parliament, while the opposition coalition, Union pour une alternace démocratique (UAD), won 37.27 per cent of the vote. However, because of the country's "first-past-the-post" electoral system, it won no seats in Parliament. Moreover for the first time in the country's political evolution, seven women were elected as members of Parliament.

16. As a consequence of the Ethiopia-Eritrea dispute, Djibouti port activities, which had been absorbing only 25 per cent of the Ethiopian traffic, increased substantially in 1998, with a positive revenue impact for the Government and GDP. The increase in the volume of Ethiopian import traffic through Djibouti placed heavy demands on the port of Djibouti and related infrastructure. One of the country's main challenges is to try to take advantage of the new situation, which has investment and capacity-building implications. Apart from plans to develop a new port located in Doraleh, which will fulfil all international standards and requirements with oil traffic facilities as well as commercial and service free-zone areas, the issue was partially resolved through the privatization of the port of Djibouti to the Dubai Ports Authority in June 2000. The agreement has allowed a significant improvement in the port's management. In 2002 the Dubai Ports Authority also assumed management of the airport. However, a major setback occurred on 9 January 2002, when a leak of chromated copper arsenate, a wood preservative and fungicide, was discovered in the port of Djibouti, which subsequently led to the contamination of the entire isolation site itself. Rain showers significantly widened the area of contamination. A crisis centre was established, which includes the Ministries of Environment and Agriculture, the port authorities, and the Maritime and Transit Services, to secure the contaminated site and initiate the decontamination process, while the Food and Agriculture Organization of the United Nations (FAO) and the World Health Organization (WHO) dispatched experts to support the initial assessment and recommended a number of measures to be taken. In March 2003 the Government of Djibouti requested the Office for the Coordination of Humanitarian Affairs to field a United Nations Disaster Assessment

and Coordination Team to assist the authorities and United Nations agencies in evaluating the humanitarian and environmental consequences of the disaster and in mobilizing and coordinating international assistance. The office released an emergency relief grant to address the immediate needs and dispatch an ecotoxicologist to assist the Government. WHO assessments revealed that up to 350 people had been exposed to the contamination.

17. Djibouti has initiated a demobilization programme with assistance from France and the European Union. Of the 18,000 soldiers to be demobilized, about two thirds have received financial incentives to leave the army. However, those being demobilized face difficulties getting employment because of their limited skills and the poor state of the economy. The demobilization programme needs to be carefully synchronized with a socio-economic reinsertion programme as well as with ongoing rehabilitation activities in the regions affected by the conflict. This is being handled partially by two new institutions funded by the World Bank and the African Development Bank, the Agence djiboutienne d'exécution des travaux d'intérêt public and the Social Development Fund, both created in 1999 and fully operational since 2000.

18. The country faces financial obligations largely exceeding its capacity, while sources of external financing for its development needs have decreased in recent years. Following the events of 11 September 2001 in the United States of America, and in the context of international counter-terrorism activities, military forces from the United States, Germany and other countries joined the French military presence in Djibouti. These deployments are expected to generate a positive impact on the country's economy as well as enhance bilateral cooperation in support of its socio-economic development.

19. The progress made in the macro-economic domain, resulting in a reduction of the budget deficit, has not been followed by the inversion of the tendency towards the deterioration of the social situation, especially if related to an annual population growth estimated at 3 per cent per year. On the issue of social conditions, it should be highlighted that in the past two years efforts have been made to collect social indicators. These efforts, made by the Government in collaboration with the United Nations, have produced the following surveys:

- *EDAM-IS2*. The objectives of this survey are to follow the evolution of the social indicators already estimated during the 1996 EDAM-IS1 survey and to refine the coefficients utilized in the estimation of the index of consumer prices
- *PAPFAM*. (Included in the framework of an Arab League project, co-financed by the United Nations Population Fund (UNFPA), the Arab Gulf Programme for United Nations Development Organizations (AGFUND), the United Nations Children's Fund (UNICEF), WHO and other donors). The objective of this survey is to provide indicators on the health status of the population, in particular related to reproductive health. From the demographic point of view, this survey would allow the establishment of indicators required for population policies-monitoring, such as the birth and mortality rates
- *EDG*. This survey is part of the "evaluation of performances" of the country in order to implement the objectives concerning world commitment to the rights of the child

• *HIV/AIDS prevalence survey.*

20. The Government's standby agreement with IMF foresees increased efforts to improve economic management through the reduction of public spending, the consolidation of fiscal policy and the implementation of financial control procedures. However, the implementation of the agreement has run into serious problems, notably owing to a lack of funds for demobilizing soldiers called up during the civil war. In May 1997 a round-table meeting of donors partially alleviated this constraint: France and the European Union agreed to assist in the demobilization process. Consequently, negotiations started with IMF to conclude an Enhanced Structural Adjustment Facility agreement, which was finally signed in June 1999.

21. The IMF programme is backed by World Bank funding for institutional reforms, consolidation of the public sector and financial stabilization. Moreover, in order to trigger the necessary economic growth, the Government has launched a structural adjustment programme (1999-2002). This programme, implemented with the support of IMF is based on three main objectives: (i) reinforcement of public finances, containment of budget deficit, improvement of macroeconomic stability; (ii) valorization of resources related to education, health, social protection and public services equipment; and (iii) initiation of a reform process aimed at avoiding obstacles related to private-sector economic growth. Concerning the reform process, four main axes have been highlighted: (i) the reform of the justice system, which will attract investors and provide guarantees towards the protection of their assets and the functioning of their businesses. In this regard, in 2000 a round table chaired by the head of State was organized and the outcome recommendations were implemented, in particular those related to the separation of the Ministry of Justice from the Palace of Justice; (ii) the update on the magistrates' status relative to their independence and the creation of the Chambre de comptes; (iii) a civil service reform adopted in February 2001; and (iv) the implementation of a decentralization policy. To this end, regional councils have been established in the interior districts. This new approach will improve direct involvement of people in local development and ensure the participation of civil society through the establishment of development communities, the promotion of associations and the creation of cooperatives. The institutional framework for public service organizations (NGOs) has already been created. The approval of the Family Code by the National Assembly in 2001, together with the adoption of an Amnesty Law in favour of political figures who are members of the opposition manifests the positive trend of Government with regard to human rights issues. Furthermore, 2002 also saw the creation of the National Strategy for Women's Integration in Development (SNIFD) and the approval of the National Strategy against HIV/AIDS.

22. In Djibouti City, where 65 per cent of the population lives, and in certain coastal areas, the water points have reached a high degree of salinity. A recent report submitted to the Government by the Deutsche Gesellschaft für Technische Zusammenarbeit anticipates a dramatic shortage of drinkable water for the capital around the year 2020.

IV. Major issues

23. Reconstruction and development have been under way but slow since the peace accord ended civil strife. The social reintegration of the demobilized soldiers and their socio-economic reinsertion remain priorities for the country. Social infrastructure, such as hospitals, dispensaries, schools and water points have to be rebuilt so that the displaced population can be resettled. Development activities need to be initiated in support of primary health care, primary schools and income generation. Environmental problems related to desertification are very serious. They have been exacerbated by urban and rural poverty, which are both a cause and an effect of environmental degradation.

24. Even if all aspects of the rehabilitation programme for the war-affected districts have not yet been addressed, several activities have been successfully implemented to encourage the sustainable resettlement of displaced persons, such as the rehabilitation of the hospital in Obock and of water supply facilities in Dikhil, as well as the realization of a small-scale microcredit project targeting the women of Tadjoura.

25. Budget reductions have seriously affected the education, health and social sectors. Djibouti's educational system is currently under pressure to meet the challenges of growing unemployment, rising demand from a young population and the influx of refugees. High dropout rates at both the primary and intermediate school levels also adversely influence the employment potential of Djibouti's youth. Technical and vocational training is very limited and there is a need for new policy ideas in education and employment. The country receives technical and financial support from the World Bank through the Social Development Fund, a mechanism aimed at tackling the social consequences of the structural adjustments and at alleviating poverty. In this context, with the support of the United Nations system and the World Bank, the Government elaborated in 2002 a draft of the Poverty Reduction Strategy Paper (PRSP) that will be finalized in April 2003. This important document will aim to achieve the following: (i) strengthen the macroeconomic framework; (ii) promote a juridical framework that will attract private investment and reduce the costs of production; and (iii) utilize the country comparative advantages and promote new sources of growth.

V. Role of the United Nations

26. There is close cooperation among United Nations agencies with an increasing focus on social development. Efforts to define a common strategy on programming matters based on the development priorities of Djibouti have intensified recently. Both the impact of the United Nations system at the country level and its cooperation with the Government were further strengthened after the completion of the Common Country Assessment/United Nations Development Assistance Framework (UNDAF) process and the ongoing preparation of the Millennium Development Goals report. Furthermore, the United Nations system has initiated a number of harmonization procedures since 2001-2002: harmonization of the country programme cycle (started in 2003); harmonization of United Nations compliance with the Minimum Operating Security Standards; and harmonization of administrative procedures. United Nations activities in Djibouti currently

concentrate on health, food security, rehabilitation and reconstruction, environment issues and capacity-building, refugee repatriation, governance, human rights, gender-mainstreaming and integration of NGOs and the civil society in development. These actions are prioritized and harmonized based upon UNDAF.

27. The most important reference framework for United Nations agencies in Djibouti is the Government's second 10-year National Development Plan, 2001-2010. The Plan indicates the high priority the Government grants to poverty alleviation, with specific concentration on creating employment, improving the health sector and strengthening and expanding the educational system. The Plan makes special reference to women and youth as top priority beneficiary groups, as well as to supporting the service sectors of the economy and attracting investment capital to Djibouti.

28. As part of its contributions to policy formulation, the United Nations Development Programme (UNDP) assisted the Government in preparing the second National Human Development Report in 2003. The United Nations system actively participated in the preparation of the PRSP. UNDP also helped the Ministry of Finance conduct a budget analysis using the 20/20 approach. The results of this analysis have been fully reflected in the proposal for the 2003 budget, with increased allocations for the social service sectors of education and health.

29. The United Nations Conference on Trade and Development (UNCTAD), the International Trade Centre (ITC), UNDP and the European Union assisted the Government in preparing its National Action Programme to the Third United Nations Conference on the Least Developed Countries, which was also useful for the formulation of the country's 10-year National Development Plan.

30. UNDP, the United Nations Industrial Development Organization (UNIDO) and UNCTAD combined expertise in helping the Government assess, through a feasibility study, the potential impact on the economy and private-sector development of establishing a commercial, industrial and services free zone. In 2002 UNIDO also designed a Comprehensive Integrated Programme to assist the Government in the formulation of a national strategy aimed at developing local industry.

31. A 1999 evaluation of the potential of microcredit to alleviate poverty, jointly conducted by UNDP, UNFPA and UNICEF allowed the Government, UNDP, the African Development Bank, UNICEF, UNFPA and AGFUND to initiate, in 2000, a pilot microcredit for women programme. In this context, UNICEF, in collaboration with Caritas, provided microcredit to about 1,000 women during the period 1998-1999 in the suburban areas of Djibouti City. A joint UNDP/UNICEF assessment of this scheme concluded that this microcredit produced a great improvement in the living conditions of the beneficiary families. For example, women with access to microcredit were able to pay for better food and school materials for their children. Based on this experience, a more important initiative involving a national NGO, Fonds social de développement, and United Nations agencies has been developed. This initiative has led to the elaboration of a specific strategy for microcredit and project agreements signed by the Fonds social de développement and several women's associations throughout the country, implemented as of 2001, with the financial assistance of United Nations agencies.

32. Within the framework of General Assembly resolution 50/58 F, the UNDP-funded Reconstruction and Rehabilitation Programme for Conflict-affected Regions of Djibouti, which started in 1996, is ongoing. The $1.7 million programme aims at enhancing national capacity to articulate and manage national reconstruction and rehabilitation activities. The programme also funds small-scale projects identified by the communities through representative development committees. UNDP is also in partnership with the European Union to implement a housing programme aimed at the reconstruction and rehabilitation of houses destroyed during the civil war. The programme will facilitate the return of internally and externally displaced persons.

33. A UNDP-financed governance programme supports economic reform, decentralization and regional planning, as well as public administration capacity assessment. In February 2001 the programme funded the formulation of an integrated programme aimed at building capacity in several key governance institutions, such as the national audit (Chambre des comptes), the Office of the Mediator of the Republic and the Ministry of Decentralization. In 2002 the Office of the Mediator benefited from UNDP Trust Fund support to sensitize and strengthen its role and functions, with a view to promoting transparent and accountable public administration.

34. The national strategy for the empowerment of Djiboutian women and the Family Code have been endorsed and adopted by the National Assembly. The Government has also realized the importance of strengthening the database/statistics, which is still hampering all the efforts in development assistance planning. In line with the International Strategy for Disaster Reduction recommendations, UNDP is still building the Government's capacities in disaster prevention and preparedness.

35. In economic governance, UNDP, within the context of the Integrated Framework (a global programme co-financed by six international donors: the World Bank, IMF, WTO, UNCTAD, ITC and UNDP) is currently implementing a project aiming at supporting the Government in undertaking a competitiveness and trade integration diagnostic study and, hence, favouring greater integration of the local private sector in globalization.

36. The 2002 survey undertaken by the Ministry of Health indicates that the prevalence of HIV/AIDS in Djibouti is 2.9 per cent among the general population. Under the programme, UNDP, WHO, UNFPA, UNICEF and the French Cooperation Agency are supporting the Government's national programme against HIV/AIDS.

37. United Nations agencies and other partners work together through the UNAIDS Thematic Group under the auspices of the resident coordinator, as well as with the National AIDS Programme and local NGOs. The World Food Programme (WFP) will provide, through the Ministry of Public Health, a daily wet meal to the HIV/tuberculosis patients at the Tuberculosis Hospital, located in Djibouti City. An international NGO, Live International, is currently rehabilitating the hospital kitchen and will be supplying the required utensils and cooking facilities for the preparation of meals. UNICEF is developing two strategies in the fight against HIV/AIDS. The first consists in promoting prevention activities among young people. For this effort, a project was prepared by the country office and approved by the Andorra National Commission for UNICEF for a total of $240,000 for three years. The second was the launching, in April 2003, of a pilot project to prevent HIV/AIDS transmission from father or mother to child. In March 2002, in partnership with a local NGO, WFP

initiated a pilot project targeting HIV/AIDS orphans and host families. To date, 1,200 orphans are receiving monthly food rations through the local association Oui à la vie. Food aid serves as an incentive for potential host families to receive and care for additional orphans. The food received by the foster families helps them to maintain adequate food intake for the entire family. Provision of food to the foster families will also free resources that can be channelled to pay for other basic requirements. Rations for orphans under home-based care are based upon family rations for a family of five. To people infected by HIV and admitted at the public referral hospital of Paul Faure in Djibouti, WFP, through a local women's association, IFTIN, provides food aid rations as a means to supplement their existing dietary intake so as to meet the increased demands for nutritional requirements as a result of the HIV infection.

38. Since 1994-1995, the Office of the United Nations High Commissioner for Refugees has repatriated about 37,000 Ethiopian refugees from refugee camps in Djibouti to their homeland. As of December 2002, 1,128 Ethiopian refugees remained in Djiboutian camps, along with 20,139 Somali refugees and 6 refugees of other nationalities. Most of the 18,000 Djiboutians who fled the civil war are thought to have returned spontaneously. Following the peace agreement signed in February 2000 between the Government of Djibouti and FRUD, a tripartite agreement between the Government of Ethiopia, the Government of Djibouti and the Office of the High Commissioner for voluntary repatriation of the Djibouti Afar refugees from Ethiopia (estimated to be 1,500 persons) was signed on 24 January 2001. Since November 2001, as a result of the normalization of the political and commercial relationship between the Government of Djibouti and the "Somaliland" authorities in Somalia, both sides pledged to reopen the humanitarian corridor for the repatriation of refugees. In 2002 the Office facilitated the repatriation of 2,106 Somali refugees to their original area. For this operation, it invested $444,258. The programme will carry on in 2003 with the repatriation of 10,000 Somali refugees and an Office budget of $1.3 million. The Office also supported the repatriation in 2002 of 458 Djiboutian refugees coming from Ethiopia towards their original region to facilitate their reintegration; it provided an ambulance and two water pumps for a total of $35,188.26.

39. Since March 2001, WFP, in collaboration with UNICEF and the Ministry of Public Health, has been providing daily wet meals to 11 nutritional feeding centres attended by 8,200 children under 5 years of age who are suffering from acute malnutrition in overpopulated areas of Djibouti City and in the four districts. This programme has been successfully implemented and will be pursued under the new protracted relief and recovery operation (PRRO).

40. In July 2001 two WFP consultants completed a survey on the Djibouti school feeding system. As a result of this survey and with a view to opening up new areas in the northern districts, following the peace agreement signed by the Government of Djibouti and the armed wing of the opposition party (FRUD), WFP has increased the caseload of schoolchildren from 5,500 to 11,539 pupils. The project food basket was revised and a more balanced diet is now being supplied to the beneficiaries of the project. Under the revised project, the primary schoolchildren receive a morning snack and lunch six days a week, 216 days a year, consisting of corn-soya-bulgur, sugar, oil and cereals, and a "take-home ration" for girls attending school as of grade three has been introduced, with a view to encouraging girls' education. It should be noted that the percentage of girls in schools has since increased significantly, from

less than 30 per cent during the war period (1991-2001) to 42.8 per cent in 2002. The Ministry of Education, in collaboration with WFP, aims to reach 50 per cent countrywide over the next two years. For the coming four years, covering the Djibouti UNDAF cycle (2003-2007), WFP will continue providing food aid to schools in districts that were directly affected by the war, including districts where the girls' enrolment and attendance rate is well below 50 per cent. The Centre de protection de la mère et de l'enfant, an NGO based in Djibouti, houses children from poor communities across the country. Food aid provided by WFP to the orphanage encourages the 356 orphan children (all girls) to stay at the institution, where they receive three meals a day, seven days a week and have access to education. Finally, WFP provides vegetable oil and sugar to local women's associations (e.g. l'Union nationale des femmes de Djibouti, l'Association des femmes jardinères d'Ambouli, Caritas, Coopi) as an incentive to beneficiary-participating in rural and peri-urban projects that contribute to strengthening the knowledge and skills of local women in literacy and for training traditional birth attendants and their assistants in basic health care.

41. In May 2001 a WFP-led, multi-agency rapid needs assessment was undertaken throughout Djibouti. The results of the assessment showed that substantial portions of the rural Djiboutian population were or would soon be in need of emergency food aid. Consequently, WFP initiated a second emergency operation (EMOP) in early 2002, which has provided monthly emergency food rations to approximately 96,000 highly vulnerable people over the last eight months. However, climatic conditions and the food security status of many of these populations have substantially improved in recent months such that the situation no longer can be considered an emergency. In spite of this improvement, there are still relatively high levels of acute vulnerability remaining (affects of the drought) and very high levels of chronic vulnerability (owing to chronic poverty, environmental degradation and poor infrastructure) among many rural populations in the country. In addition, the new drought emergencies in Ethiopia and Eritrea will negatively affect Djiboutian populations. Since the current EMOP is due to end in June 2003, WFP will be proposing a PRRO in Djibouti to follow the EMOP and act as a natural transition to support for development activities.

42. Under its current emergency operation (DJI EMOP 10099.00), which started in February 2002 and will end in June 2003, WFP supports through food-for-assets programmes, the rehabilitation of several secondary roads, medical centres, four water retention schemes, five cemented wells and two underground water reserves in the Obock and Tadjoura Districts. In the absence of a strong international and/or local NGO representation in Djibouti, the water and social infrastructures were rehabilitated with the support of the local community and district authorities. Under the PRRO, starting in July 2003, WFP intends to enhance further food-for-work and food-for-assets activities. Fifty per cent of the PRRO resources will be directed to the construction and rehabilitation of schools, medical centres, rural roads, water conservation infrastructure and to the promotion of agricultural production.

43. Under PRRO 10134.0, which started on 1 March 2002, WFP is continuing to provide humanitarian assistance to 23,000 refugees sheltered in the camps of Holl-Holl and Ali-Addeh in the district of Ali Sabbieh. Assistance to the refugees is coordinated by the Ministry of the Interior and channelled through the Office national d'assistance aux réfugiés et sinistrés (ONARS), which is responsible for storage, transportation and distribution of food and non-food items. AMDA, an

Asian medical NGO, provides health, prenatal care and counselling services on nutrition to expectant and nursing mothers. AMDA is also responsible for the management of the supplementary and therapeutic feeding programmes. About 1,000 vulnerable people benefit from the supplementary feeding programme, while 120 children under 5 years of age are targeted under the therapeutic feeding programme. With the support of WFP, the education component is ensured by UNESCO-PEER (Programme of Education for Emergencies and Reconstruction). Dry take-home rations composed of vegetable oil are provided to schoolgirls to increase girls' enrolment and attendance. Monthly coordination meetings are held with ONARS, the Office of the United Nations High Commissioner for Refugees, AMDA, UNESCO-PEER, government agencies and NGOs under the joint chairmanship of WFP, the Office of the High Commissioner and ONARS. WFP strongly supports the repatriation process by providing a nine-month repatriation package to all refugees opting for a voluntary return home. The provision of the package is meant to allow their smooth and more durable resettlement in their areas of origin.

44. In collaboration with the French Cooperation Agency, and within the framework of its regular programme, UNICEF and the Ministries of Health and Education have rehabilitated and equipped 90 per cent of the schools and health centres destroyed during the internal conflict. UNICEF was actively involved in the preparation of Djibouti's National Plan on Education for the period 2001-2005. Technical support was provided to help finalize the Plan, as well as to research learning barriers for the primary school curriculum, especially French language and mathematics. UNICEF provided equipment to the rehabilitated schools and clinics and supported the training of teachers and health workers. Some 183 health workers were trained in integrated management of childhood and 203 traditional birth attendants were trained in safe delivery techniques. UNICEF provided basic health kits to mobile teams in two districts (Dikhil and Ali Sabbieh) and helped to set up a new central vaccine cold room.

45. The main areas of focus of the UNICEF-Djibouti regular cooperation programme (1999-2003) are promotion of health and education and advocacy for the protection of women and children's rights. The overall budget allocated to this cooperation framework amounts to nearly $7 million.

46. Within the framework of its mandate, WHO is providing assistance to Djibouti in its reconstruction and rehabilitation efforts. WHO gives priority to its programme of basic development needs (BDN), whose strategy is the self-reliance of the community. The programme started with advocacy and exploratory activities in 1998-1999 and implementation has been in progress since April 2001 in Dikhil District and in one township of Djibouti District. For the biennium 2002-2003, WHO has allocated $125,000 to the BDN programme, with an additional $100,000 as extrabudgetary funds. WHO expects other partners, particularly United Nations agencies, to support this initiative. WHO also considers water supply and sanitation to be an important issue. Concerning disease control, particular attention has been paid to strengthening the capacity of the country to prevent and respond to epidemic diseases, for which $272,000 has been allocated from the regular budget for the biennium 2002-2003. Regarding polio-eradication, WHO is providing in 2002-2003 about $400,000 to enable the country to carry out all necessary campaigns and to establish acute flaccid paralysis surveillance.

47. With regard to HIV/AIDS, WHO participates in local activities through the UNAIDS Thematic Group within the resident coordinator system in order to reinforce the potential capacity of the national AIDS programme. At present, in addition to its technical and advocacy role, WHO contributes financially to the prevention and control of HIV/AIDS activities directly through its regular budget. In collaboration with other partners, WHO will continue to provide technical assistance, wherever needed, to train health personnel and to supply drugs and medical equipment. In this regard, WHO granted eight fellowships in different areas of medicine and provided financial support to 18 local training programmes involving 548 health personnel in 2002 alone. As to mother and child health-related programmes, WHO has allocated $82,700 from the regular budget 2002-2003. For the same period (2002-2003), WHO has allocated $61,600 to non-communicable disease control, $65,000 to nursing and paramedical development resources, $62,300 to essential drugs and $490,000 to other health-promotion-supporting programmes. It is important to underline that WHO has provided technical assistance through local WHO staff as well as through regional visits and short-term consultants. In 2002 alone, nine technical visits were paid to Djibouti to review different programmes and recommend measures to be taken to improve the situation wherever needed. WHO future activities, in accordance with the framework of the Millennium Development Goals and UNDAF, will focus particularly on children's and women's health, control of communicable diseases and development of human resources.

48. Living conditions in the refugee camps are basic and there is little prospect of introducing income-generating activities there. The four camps are located in remote sites close to the Ethiopian and Somali borders. Food assistance is provided by WFP, and medicine and nutritional advice is given by the Association of Medical Doctors of Asia. UNESCO helped in educating about 1,500 refugee children in the camp schools. The Evangelical Protestant Church of Djibouti is providing limited social assistance to urban refugees living in Djibouti City. In addition to its role of giving international protection to refugees, the Office of the United Nations High Commissioner for Refugees is funding and ensuring the overall supervision and monitoring of the assistance programme. In the context of health, in 2002 the Office invested $220,000 towards assistance to the refugees and displaced persons around the refugee camps. In the same context, in 2002 the Office contributed towards the rehabilitation of Ali Sabbieh's hospital laboratory. Furthermore on environment issues, the Office with an annual budget of $172,000, supports activities for the protection and restoration of the environment around the refugees camps.

VI. Conclusions

49. **Djibouti's development challenges are first and foremost related to the economic and financial crisis, which resulted from the civil strife and changes in the international and subregional context. In addition, recurring emergency situations, including drought, flood and epidemics, combined with large-scale destruction of livestock, water points, health and educational facilities as a result of the internal conflict in the country, led to the large-scale movement of displaced populations and considerably increased Djibouti's need for further emergency and humanitarian assistance.**

50. The rural population in the country's five districts consists mainly of nomadic herdsmen living precariously on pastures depleted by drought and overgrazing. This situation has resulted in extensive losses of livestock and reduced milk production. Drought also affects the urban population, with Djibouti City facing severe water shortages, especially in the summer months from May to August. There is an urgent need to find ways to make better use of rainwater and to explore countrywide water resources.

51. The rehabilitation process already initiated has to be strengthened. Djibouti still needs to rebuild much of its rural infrastructure so as to enable people to return to their original homelands. Most schools, roads, hospitals, water facilities and dispensaries have to be reconstructed. Microcredit programmes and highly labour-intensive projects and programmes have to be implemented to encourage the population to return to their villages. There is also a need to promote income-generating activities by introducing small-scale agriculture at the rural level. It is estimated that at least $100 million is needed to mitigate the socio-economic impact of the civil war.

52. Building national management capacity in support of sustainable human development remains a vital priority. Assistance is needed in the fields of governance, administrative reform and economic management. It is also important to support the training of national officials to contribute to the rebuilding of a fragile economy.

Notes

[1] The objective of this household living standards survey is to update the evolution of social indicators estimated during the 1996 EDAM-IS1 survey.

[2] Source of statistical information for this section: annual report of the Central Bank of Djibouti.